

AMENDED IN ASSEMBLY MARCH 29, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1048**

**Introduced by Assembly Member Frommer**

February 23, 2001

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~~An act to amend Section 25000 of the Corporations Code, relating to securities.~~ *An act to amend Sections 25247, 25607, 25608, 25608.2, and 25612.5 of, and to repeal Section 25205 of, the Corporations Code, relating to securities.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1048, as amended, Frommer. Securities.

*The Corporate Securities Law of 1968 provides for the licensing of agents and broker-dealers and the registration of investment advisers and investment adviser representatives by the Department of Corporations, subject to certain exceptions. Existing law requires these persons to pay certain fees and assessments to the department.*

*This bill would delete a provision that exempts from certification requirements a licensed broker-dealer who acts as an investment adviser. The bill would require the Commissioner of Corporations to make certain information concerning investment advisers that is in the possession of the commissioner available to the public on request. The bill would revise various fee provisions and would make other related changes.*

*Existing law prohibits a state or local public agency from asking or requiring an applicant for a license, certificate, or registration to reveal a record of arrest that did not result in a conviction or plea of nolo contendere.*

*This bill would provide that this prohibition is not applicable to the department relative to persons regulated by the department when using a national, uniform application that is required by the Securities and Exchange Commission and other entities for participation in certain national registration depositories. The bill would authorize the department to participate in those depositories.*

*Existing law prohibits the Commissioner of Corporations and his or her assistants, clerks, or deputies from having certain interests in entities regulated by the department. Existing law authorizes the holding or purchasing of securities by these public officials under certain conditions.*

*This bill would revise the provisions governing the holding or purchasing of securities by the commissioner, as specified.*

~~Existing law relating to securities provides that it is known as the “Corporate Securities Law of 1968.”~~

~~This bill would instead provide that it would be known as the California Securities Law.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~—yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     ~~SECTION 1. Section 25000 of the Corporations Code is~~
- 2     SECTION 1. Section 25205 of the Corporations Code is
- 3     repealed.
- 4     ~~25205. A broker-dealer licensed under Section 25210 is~~
- 5     ~~exempted from the provisions of Section 25230 but is subject,~~
- 6     ~~except as otherwise provided by rule of the commissioner, to all~~
- 7     ~~provisions of this division and of the rules of the commissioner~~
- 8     ~~adopted hereunder as though licensed pursuant to Section 25230.~~
- 9     SEC. 2. Section 25247 of the Corporations Code is amended
- 10    to read:
- 11    25247. (a) Upon written or oral request, the commissioner
- 12    shall make available to any person the information specified in
- 13    Section 6254.12 of the Government Code with respect to any
- 14    broker-dealer or agent licensed or regulated under this part. The
- 15    commissioner shall also make available the current license status
- 16    and the year of issuance of the license of a broker-dealer. Any
- 17    information disclosed pursuant to this subdivision shall constitute
- 18    a public record. Notwithstanding any other provisions of law, the

1 commissioner may disclose either orally or in writing that  
2 information pursuant to this subdivision. There shall be no liability  
3 on the part of and no cause of action of any nature shall arise  
4 against the State of California, the Department of Corporations,  
5 the Commissioner of Corporations, or any officer, agent, or  
6 employee of the state or of the Department of Corporations for the  
7 release of any false or unauthorized information, unless the release  
8 of that information was done with knowledge and malice.

9 (b) Any broker-dealer or agent licensed or regulated under this  
10 part shall upon request deliver a written notice to any client when  
11 a new account is opened stating that information about the  
12 licensure status or disciplinary record of a broker-dealer or an  
13 agent may be obtained from the Department of Corporations, or  
14 from any other source that provides substantially similar  
15 information.

16 (c) The notice provided under subdivision (b) shall contain the  
17 office location or telephone number where the information may be  
18 obtained.

19 (d) A broker-dealer or agent shall be exempt from providing  
20 the notice required under subdivision (b) if a person who does not  
21 have a financial relationship with the broker-dealer or agent,  
22 requests only general operational information such as the nature  
23 of the broker-dealer's or agent's business, office location, hours of  
24 operation, basic services, and fees, but does not solicit advice  
25 regarding investments or other services offered.

26 (e) *Upon written or oral request, the commissioner shall make*  
27 *available to any person the information filed with the Investment*  
28 *Advisor Registration Depository with respect to any investment*  
29 *adviser, investment adviser representative, or associated person of*  
30 *an investment adviser licensed or regulated under this part. The*  
31 *commissioner shall also make available the current license status*  
32 *and the year of issuance of the license of an investment adviser. Any*  
33 *information disclosed pursuant to this subdivision shall constitute*  
34 *a public record. Notwithstanding any other provision of law, the*  
35 *commissioner may disclose that information either orally or in*  
36 *writing pursuant to this subdivision. There shall be no liability on*  
37 *the part of and no cause of action of any nature shall arise against*  
38 *the State of California, the Department of Corporations, the*  
39 *Commissioner of Corporations, or any officer, agent, or employee*  
40 *of the state or of the Department of Corporations for the release*

1 *of any false or unauthorized information, unless the release of that*  
2 *information was done with knowledge and malice.*

3 *(f) Section 461 of the Business and Professions Code shall not*  
4 *be applicable to the Department of Corporations when using a*  
5 *national, uniform application adopted or approved for use by the*  
6 *Securities and Exchange Commission, the North American*  
7 *Securities Administrators Association, or the National*  
8 *Association of Securities Dealers Regulation, Inc. that is required*  
9 *for participation in the Central Registration Depository or the*  
10 *Investment Adviser Registration Depository.*

11 *SEC. 3. Section 25607 of the Corporations Code is amended*  
12 *to read:*

13 25607. (a) Neither the commissioner nor any of the  
14 commissioner's assistants, clerks or deputies shall be interested as  
15 a director, officer, shareholder, member (other than a member of  
16 an organization formed for religious purposes), partner, agent, or  
17 employee of any person who, during the period of the official's or  
18 employee's association with the Department of Corporations, (1)  
19 was licensed or applied for license as a broker-dealer or investment  
20 adviser under this division, or (2) applied for or secured the  
21 qualification of the sale of securities under this division.

22 (b) Nothing contained in subdivision (a) of this section shall  
23 prohibit the holding or purchasing of any securities by any  
24 assistant, clerk, or deputy in accordance with such rules as the  
25 commissioner shall adopt for the purpose of protecting the public  
26 interest and avoiding conflicts of interest.

27 (c) Nothing contained in subdivision (a) shall prohibit the  
28 holding or purchasing of any securities by the commissioner if ~~(4)~~  
29 ~~that security is any of the following criteria is met:~~

30 (1) *The securities held or purchased by the commissioner are*  
31 *exempt from the qualification requirements of Sections 25110,*  
32 *25120, and 25130 by virtue of Section 25100, provided that the*  
33 *holding or purchasing of those securities is in accordance with*  
34 *rules adopted for the purpose of protecting the public interest and*  
35 *avoiding conflicts of interest.*

36 (2) *The securities held or purchased by the commissioner are*  
37 *not subject to Sections 25110, 25120, and 25130 by virtue of*  
38 *Section 25100.1, provided that the holding or purchasing of those*  
39 *securities is in accordance with rules adopted for the purpose of*  
40 *protecting the public interest and avoiding conflicts of interest.*

1 (3) *The holding or purchasing of any securities by the*  
2 *commissioner meets each of the following requirements:*

3 (A) *The securities are held or purchased through a management*  
4 *account or trust administered by a bank or trust company*  
5 *authorized to do business in this state which, and the bank or trust*  
6 *company has sole investment discretion regarding the holding,*  
7 *purchase, and sale of securities,* ~~(2) the.~~

8 (B) *The commissioner did not, directly or indirectly, advise,*  
9 *counsel, command, or suggest the holding, purchase, or sale of any*  
10 *such security or furnish any information relating to such security*  
11 *to the bank or trust company,* ~~and (3) the.~~

12 (C) *The account or trust does not at any time have more than 10*  
13 *percent of its total assets invested in the securities of any one issuer*  
14 *or hold more than 5 percent of the outstanding shares or units of*  
15 *any class of securities of any one issuer.* ~~The~~

16 (D) *The commissioner shall report to the Attorney General not*  
17 *less often than quarterly all holdings, purchases, and sales of*  
18 *securities by him or her as authorized in this subdivision*  
19 *paragraph (3), which reports shall be retained by the Attorney*  
20 *General as public documents. This subdivision shall not apply,*  
21 ~~*however, to securities held or purchased by the commissioner*~~  
22 ~~*which are exempt from the qualification requirements of Sections*~~  
23 ~~*25110, 25120, and 25130 by virtue of Section 25100, provided that*~~  
24 ~~*the holding or purchasing of such securities is in accordance with*~~  
25 ~~*rules adopted for the purpose of protecting the public interest and*~~  
26 ~~*avoiding conflicts of interest.*~~

27 SEC. 4. *Section 25608 of the Corporations Code is amended*  
28 *to read:*

29 25608. (a) *The commissioner shall charge and collect the*  
30 *fees fixed in this section and Section 25608.1. All fees charged and*  
31 *collected under this section and Section 25608.1 shall be*  
32 *transmitted to the Treasurer at least weekly, accompanied by a*  
33 *detailed statement thereof and shall be credited to the State*  
34 *Corporations Fund.*

35 (b) *The fee for filing an application for a negotiating permit*  
36 *under subdivision (c) of Section 25102 is fifty dollars (\$50).*

37 (c) *The fee for filing a notice pursuant to paragraph (5) of*  
38 *subdivision (h) of Section 25102 and the fee for filing a notice*  
39 *pursuant to paragraph (4) of subdivision (f) of Section 25102, in*  
40 *addition to the fee prescribed in those paragraphs, if applicable,*

1 shall be determined based on the value of the securities proposed  
2 to be sold in the transaction for which the notice is filed and in  
3 accordance with subdivision (g), and shall be as follows:

Value of Securities	
Proposed to be Sold	Filing Fee
\$25,000 or less	\$ 25
\$25,001 to \$100,000	\$ 35
\$100,001 to \$500,000	\$ 50
\$500,001 to \$1,000,000	\$150
Over \$1,000,000	\$300

13 (d) The fee for filing an application for designation of an issuer  
14 pursuant to subdivision (k) of Section 25100 is fifty dollars (\$50).

15 (e) The fee for filing an application for qualification of the sale  
16 of securities by notification under Section 25112 or by permit  
17 under paragraph (1) of subdivision (b) of Section 25113 (except  
18 applications for qualification by permit of the sale of any guarantee  
19 of any security, the fees for which applications are fixed in  
20 subdivision (k)) is two hundred dollars (\$200) plus one-fifth of 1  
21 percent of the aggregate value of the securities sought to be sold  
22 in this state up to a maximum aggregate fee of two thousand five  
23 hundred dollars (\$2,500).

24 The fee for filing a small company application for qualification  
25 of the sale of securities by permit under paragraph (2) of  
26 subdivision (b) of Section 25113 is two thousand five hundred  
27 dollars (\$2,500). In the case where the costs of processing a small  
28 company application exceed the filing fee, an additional fee shall  
29 be charged, not to exceed one thousand dollars (\$1,000), over and  
30 above the filing fee based on the costs of the salary or other  
31 compensation paid to persons processing the application plus  
32 overhead costs reasonably incurred in the performance of the  
33 work. In determining the costs, the commissioner may use the  
34 estimated average hourly cost for all persons processing  
35 applications for the fiscal year.

36 (f) The fee for filing an application for qualification of the sale  
37 of securities by coordination under Section 25111 or a notice of  
38 intention to sell under subdivision (t) of Section 25100 is two  
39 hundred dollars (\$200) plus one-fifth of 1 percent of the aggregate  
40 value of the securities sought to be sold in this state up to a

1 maximum aggregate fee of two thousand five hundred dollars  
2 (\$2,500).

3 (g) For the purpose of determining the fees fixed in  
4 subdivisions (e) and (f):

5 (1) The value of the securities shall be the price at which the  
6 company proposes to sell the securities, or the value, as alleged in  
7 the application, or the actual value, as determined by the  
8 commissioner, of the consideration (if other than money) to be  
9 received in exchange therefor, or of the securities when sold,  
10 whichever is greater.

11 (2) Interim or voting trust certificates shall have a value equal  
12 to the aggregate value of the securities to be represented by the  
13 interim or voting trust certificates.

14 (3) The value of a warrant or right to purchase or subscribe to  
15 another security of the same or another issuer shall be an amount  
16 equal to the consideration to be paid for that warrant or right plus  
17 an amount equal to the consideration to be paid upon purchase of  
18 the additional securities, provided that if the latter amount is not  
19 determinable at the time of qualification, that amount shall then be  
20 the value of the additional securities as determined by the  
21 commissioner.

22 (4) In the case of a share dividend where the shareholders are  
23 given an option to accept either cash or additional shares of  
24 common stock, the value of the securities to be sold shall be the  
25 maximum amount of cash that would be payable in the event that  
26 all shareholders elected to accept cash.

27 (h) The fee for filing an application for qualification of the sale  
28 of securities by permit under Section 25121 is:

29 (1) Two hundred dollars (\$200) in connection with any change  
30 (including any stock split or reverse stock split or stock dividend,  
31 except a stock dividend where the shareholders are given an option  
32 to accept either cash or additional shares of common stock) in the  
33 rights, preferences, privileges, or restrictions of or on outstanding  
34 securities.

35 (2) Two hundred dollars (\$200) plus one-fifth of 1 percent of  
36 the value, as alleged in the application, or the actual value, as  
37 determined by the commissioner, of the consideration to be  
38 received in exchange therefor, up to a maximum aggregate fee of  
39 two thousand five hundred dollars (\$2,500), in any exchange of  
40 securities by the issuer with its existing security holders



1 exclusively, or in any exchange in connection with any merger or  
2 consolidation or purchase of corporate assets in consideration of  
3 the issuance of securities.

4 (i) The fee for filing an application for qualification of the sale  
5 of securities by notification under Section 25131 shall be one  
6 hundred dollars (\$100).

7 (j) The fee for an application for the removal of any condition  
8 under Section 25141 is fifty dollars (\$50).

9 (k) The fee for filing any application for a permit to execute or  
10 issue any guarantee of any security is fifty dollars (\$50).

11 (l) The fee for acting as escrow holder for securities under  
12 Section 25149 is fifty dollars (\$50). In addition, a fee of two  
13 dollars and fifty cents (\$2.50) shall be paid for the deposit with the  
14 commissioner of each new certificate or other document resulting  
15 from a transfer in escrow.

16 (m) The fee for filing an application for an order (1) consenting  
17 to the transfer in escrow of securities or (2) consenting to the  
18 transfer of securities subject to any condition imposed by the  
19 commissioner requiring the commissioner's consent to the  
20 transfer is twenty dollars (\$20) for each transfer.

21 (n) The filing fee for an amendment to an application filed after  
22 the effective date of the qualification of the sale of securities is fifty  
23 dollars (\$50) plus any additional fee that would have been required  
24 to be paid with the original application for qualification of the sale  
25 of securities under this section if the matters set forth in the  
26 amendment had been included in the original application.

27 (o) (1) The fee for filing an application for a broker-dealer  
28 certificate under Section 25211 is three hundred dollars (\$300).

29 (2) Each broker-dealer shall pay to the commissioner its pro  
30 rata share of all costs and expenses, reasonably incurred in the  
31 administration of the broker-dealer program under this division, as  
32 estimated by the commissioner for the ensuing year and any deficit  
33 actually incurred or anticipated in the administration of the  
34 program in the year in which the assessment is made. The pro rata  
35 share shall be the proportion that the broker-dealer and the number  
36 of its agents in this state bears to the aggregate number of  
37 broker-dealers and agents in this state as shown by records  
38 maintained by or on behalf of the commissioner. The pro rata share  
39 may include the costs of any examinations, audit, or investigation  
40 provided for in subdivision (r).



1 ~~(3) On or before the 30th day of May in each year, the~~  
2 ~~commissioner shall notify each broker-dealer by mail of the~~  
3 ~~amount assessed and levied against it and that amount shall be paid~~  
4 ~~within 20 days thereafter. If payment is not made within 20 days,~~  
5 ~~the commissioner shall assess and collect a penalty in addition to~~  
6 ~~the assessment, of 1 percent of the assessment for each month or~~  
7 ~~part of a month that the payment is delayed or withheld.~~

8 ~~(4) In the levying and collection of the assessment, a~~  
9 ~~broker-dealer shall not be assessed for, nor be permitted to pay, less~~  
10 ~~than seventy-five dollars (\$75) per year.~~

11 ~~(5) In determining the amount assessed, the commissioner shall~~  
12 ~~consider all appropriations from the State Corporations Fund for~~  
13 ~~the support of the broker-dealer program under this division and~~  
14 ~~all reimbursements applicable to the administration of the~~  
15 ~~broker-dealer program under this division.~~

16 ~~(6) Every broker-dealer who has secured from the~~  
17 ~~commissioner a certificate shall, in order to keep the certificate in~~  
18 ~~effect for an additional period, pay a minimum assessment of~~  
19 ~~seventy-five dollars (\$75) on or before the 31st of December in~~  
20 ~~each year.~~

21 *(4) The commissioner may assess and levy against each*  
22 *broker-dealer any additional amount above the minimum*  
23 *assessment amount of seventy-five dollars (\$75) that is reasonable*  
24 *and necessary to support the broker-dealer program under this*  
25 *division. If an additional amount is assessed, the commissioner*  
26 *shall notify each broker-dealer by mail of any additional amount*  
27 *assessed and levied against it on or before the 30th day of May in*  
28 *each year; and that amount shall be paid within 20 days thereafter.*  
29 *If payment is not made within 20 days, the commissioner shall*  
30 *assess and collect a penalty in addition to the assessment of 1*  
31 *percent of the assessment for each month or part of a month that*  
32 *the payment is delayed or withheld.*

33 *(5) If a broker-dealer fails to pay the any assessment on or*  
34 *before the 30th day of June the month following the day upon*  
35 *which payment is due, the commissioner may by order summarily*  
36 *suspend or revoke the certificate issued to the broker-dealer. If,*  
37 *after that order is made, a request for hearing is filed in writing and*  
38 *a hearing is not held within 60 days thereafter, the order is deemed*  
39 *rescinded as of its effective date. During any period when its*  
40 *certificate is revoked or suspended, a broker-dealer shall not*

1 conduct business pursuant to this division except as may be  
2 permitted by order of the commissioner; provided, however, that  
3 the revocation, suspension, or surrender of a certificate shall not  
4 affect the powers of the commissioner as provided under this  
5 division.

6 *(6) In determining the amount assessed, the commissioner*  
7 *shall consider all appropriations from the State Corporations*  
8 *Fund for the support of the broker-dealer program under this*  
9 *division and all reimbursements applicable to the administration*  
10 *of the broker-dealer program under this division.*

11 (p) The commissioner shall charge a fee of twenty-five dollars  
12 (\$25) for the filing of a notice or report required by rule adopted  
13 pursuant to subdivision (b) of Section 25210 or subdivision (b) of  
14 Section 25230.

15 (q) ~~The (1) Except as provided for in paragraph (2), the fee for~~  
16 filing an application for an investment adviser under Section  
17 25231 is one hundred twenty-five dollars (\$125), and payment of  
18 this amount shall keep the certificate, if granted, in effect during  
19 the calendar year during which it is granted. Every investment  
20 adviser who has secured from the commissioner a certificate shall,  
21 in order to keep the certificate in effect for an additional period,  
22 pay a renewal fee of one hundred twenty-five dollars (\$125) on or  
23 before the ~~15th~~ 31st day of December ~~preceding the additional~~  
24 ~~period.~~

25 *(2) Paragraph (1) shall not apply to a broker-dealer licensed*  
26 *under Section 25210.*

27 (r) ~~The (1) Except as provided for in paragraph (2), the fee for~~  
28 any routine or nonroutine regulatory examination, audit, or  
29 investigation is the amount of the salary or other compensation  
30 paid to the persons making the examination, audit, or investigation  
31 plus the amount of expenses including overhead reasonably  
32 incurred in the performance of the work. In determining the costs  
33 associated with an examination, audit, or investigation, the  
34 commissioner may use the estimated average hourly cost for all  
35 persons performing examinations, audits, or investigations for the  
36 fiscal year.

37 *(2) An investment adviser licensed under Section 25230*  
38 *pursuant to the Investment Adviser Registration Depository shall*  
39 *not be subject to paragraph (1) only in regard to the fee for a*

1 *routine regulatory examination of its investment advisory services*  
2 *for which it is licensed under Section 25230.*

3 (s) The fee for any hearing held by the commissioner pursuant  
4 to Section 25142 shall be the sum determined by the commissioner  
5 to cover the actual expense of noticing and holding the hearing.

6 (t) The commissioner may fix by rule a reasonable charge for  
7 any publications issued under his or her authority. The charges  
8 shall not apply to reports of the commissioner in the ordinary  
9 course of distribution.

10 (u) The fee for filing an offer under subdivision (b) of Section  
11 25507 shall be the amount of filing fee payable under subdivision  
12 (e), (f), (h), or (i) of this section if an application had been filed to  
13 qualify the transaction in which the securities upon which the offer  
14 is to be made were sold in violation of the qualification provisions  
15 of this law.

16 (v) The fee for filing an application for exemption pursuant to  
17 subdivision (l) of Section 25100 is two hundred fifty dollars  
18 (\$250).

19 (w) The commissioner may by rule require payment of a fee for  
20 filing a notice or report required by a rule adopted pursuant to  
21 Section 25105. The fee required in connection with a transaction  
22 as defined by that rule shall not exceed the fees specified in  
23 subdivision (c) based on the value of the securities sold, but the  
24 commissioner may permit a single notice for more than one  
25 transaction.

26 (x) The fee for filing the first notice of transaction under  
27 subdivision (n) of Section 25102 is six hundred dollars (\$600).

28 (y) The fee for filing a notice of transaction under subdivision  
29 (o) of Section 25102 shall be the fee for filing an application for  
30 qualification of the sale of securities by permit under paragraph (1)  
31 of subdivision (b) of Section 25113 as set forth in subdivision (e)  
32 of this section.

33 (z) The fee for filing a notice of transaction under subdivision  
34 (h) of Section 25103 shall be six hundred dollars (\$600).

35 *SEC. 5. Section 25608.2 of the Corporations Code is amended*  
36 *to read:*

37 25608.2. ~~(a) Notwithstanding the fee provisions of~~  
38 ~~subdivision (e) of Section 25608, as they apply to the fee for filing~~  
39 ~~a notice pursuant to paragraph (4) of subdivision (f) of Section~~  
40 ~~25102, and notwithstanding the fee provisions of subdivisions (a),~~

1 ~~(b), (c), and (d) of Section 25608.1, the fees set forth in the~~  
2 ~~subdivisions of these two sections shall be suspended for the~~  
3 ~~period July 1, 1998 to June 30, 2000, inclusive.~~

4 ~~(b)~~ Commencing July 1, 2000, the fee provisions of  
5 subdivision (c) of Section 25608, as they apply to the fee for filing  
6 a notice pursuant to paragraph (4) of subdivision (f) of Section  
7 25102, and the fee provisions of subdivisions (a), (b), ~~(c)~~, and ~~(d)~~  
8 ~~(c)~~ of Section 25608.1, shall be the maximum fees that may be  
9 levied on a notice filing under subdivision (b) of Section 25100.1,  
10 subdivision (f) of Section 25102, and subdivisions (a), (c), and (d)  
11 of Section 25102.1. The commissioner, however, may set the  
12 notice filing fee under subdivision (c) of Section 25608, as it  
13 relates to a notice filing under subdivision (f) of Section 25102,  
14 and the notice filing fees under subdivisions (a), (b), ~~(c)~~, and ~~(d)~~  
15 ~~(c)~~ of Section 25608.1, at amounts below the maximum fees set  
16 forth in those sections. The commissioner shall set the notice filing  
17 fees under those sections for the upcoming fiscal year on or about  
18 ~~January~~ June 1 of each year. If the commissioner fails to set the  
19 notice filing fees for the upcoming fiscal year, then the filing fees  
20 shall be the maximum fees that may be levied under those sections  
21 for the upcoming fiscal year.

22 *SEC. 6. Section 25612.5 of the Corporations Code is amended*  
23 *to read:*

24 25612.5. (a) To encourage uniform interpretation and  
25 administration of this law and effective securities regulation and  
26 enforcement, the commissioner may cooperate with the securities  
27 agencies or administrators of one or more states, Canadian  
28 provinces or territories, or other countries, the Securities and  
29 Exchange Commission, the Commodity Futures Trading  
30 Commission, the Securities Investor Protection Corporation, any  
31 self-regulatory organization, any national or international  
32 organization or securities officials or agencies, and any  
33 governmental law enforcement or regulatory agency.

34 (b) The cooperation authorized by subdivision (a) includes, but  
35 is not limited to, the following actions:

36 (1) Prescribing rules and forms with a view to achieving  
37 maximum uniformity in the form and content of registration  
38 statements, applications, and reports wherever practicable.

39 (2) Participating in a nationwide central depository for  
40 qualification or registration of securities under this law and for

documents or records required or allowed to be maintained under this law.

(3) *Participating in the Central Registration Depository, or any successor or alternative nationwide or regional depository, for the registering, certifying, or licensing of broker-dealers or agents, or both.*

(4) *Participating in the Investment Adviser Registration Depository, or any successor or alternative nationwide or regional depository, for the registering, certifying, or licensing of investment advisers or investment adviser representatives, or both.*

(c) Notwithstanding any other provision of law, any application for qualification, amendment to the application or related securities qualification or registration document or notice under Sections 25100.1, 25101.1, 25102.1, and 25230.1 or record otherwise required to be signed that is filed in this state by means of electronic technology pursuant to a nationwide central depository for qualification or registration of securities shall be deemed to be a valid original document upon reproduction to paper form by the Department of Corporations.

(d) “Electronic technology” includes, but is not limited to, computer modem, magnetic media or optical disk, but does not include a digital signature that does not meet the requirements of California law.

~~amended to read:~~

~~25000. This division may be known as the “California Securities Law.”~~

~~References herein to “this law” refer to the applicable provisions of this division.~~